

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF THE CRITTENDEN-)
LIVINGSTON COUNTY WATER DISTRICT)
FOR APPROVAL OF A PROPOSED) CASE NO. 2003-00311
INCREASE IN RATES FOR WATER)
SERVICE)

O R D E R

On August 14, 2003, Crittenden-Livingston County Water District (Crittenden-Livingston) filed its application for Commission approval of its proposed water rates. Crittenden-Livingston proposed to increase its rates to produce additional revenues of \$213,316, an increase of 20 percent over normalized revenues from water sales of \$1,066,420. This proposal would increase the average monthly bill for 5,000 gallons of usage from \$34.07 to \$40.94, an increase of 20.2 percent. Crittenden-Livingston s application also suggested that it could have justified an increase of \$371,398, based upon its proposed revenues and expenses as shown in Exhibit 4 of its application, if it were to include full recovery of depreciation expense.

By Order dated October 21, 2003 the Commission issued a Staff Report that was prepared upon review of Crittenden-Livingston s test-year operations. Staff s report recommended that the requested increase of \$213,316 be granted, as it allows Crittenden-Livingston sufficient funds to pay its debts and to produce a positive cash flow. The Order granted 10 days to file written comments regarding the Staff Report or requests for a hearing or informal conference. No such comments or requests were received.

The Commission, having considered the evidence of record and being otherwise sufficiently advised, finds that:

1. The recommendations and findings contained in the Staff Report are supported by the evidence of record, are reasonable, and should be adopted as the findings of the Commission.

2. The rates in Appendix A will produce annual revenue from water sales of \$1,279,736.

IT IS THEREFORE ORDERED that:

1. The findings contained in the Staff Report are adopted and incorporated by reference into this Order as if fully set out herein.

2. The rates in Appendix A are approved for service rendered by Crittenden-Livingston on and after the date of this Order.

3. Within 30 days of the date of this Order, Crittenden-Livingston shall file with the Commission its revised tariff setting out the rates approved herein.

4. Three years from the effective date of this Order, Crittenden-Livingston shall file an income statement, along with any pro forma adjustments, in sufficient detail to demonstrate that the rates approved herein are sufficient to meet its operating expenses and annual debt service requirements.

Done at Frankfort, Kentucky, this 6th day of November, 2003.

By the Commission

ATTEST:


Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2003-00311 DATED November 6, 2003

The following rates and charges are prescribed for the customers in the area served by Crittenden-Livingston County Water District. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of the Commission prior to the effective date of this Order.

Monthly Water Rates

5/8 x3/4 Meter			
First 1,000 gallons		\$14.02	Minimum bill
Next 9,000 gallons		6.73	per 1,000 gallons
Next 10,000 gallons		5.62	per 1,000 gallons
Over 20,000 gallons		4.41	per 1,000 gallons
1 Meter			
First 5,000 gallons		\$40.94	Minimum bill
Next 5,000 gallons		6.73	per 1,000 gallons
Next 10,000 gallons		5.62	per 1,000 gallons
Over 20,000 gallons		4.41	per 1,000 gallons
2 Meter			
First 15,000 gallons		102.69	Minimum bill
Next 5,000 gallons		5.62	per 1,000 gallons
Over 20,000 gallons		4.41	per 1,000 gallons
Bulk Sales		4.12	per 1,000 gallons
Wholesale		2.20	per 1,000 gallons